

**CITY OF BISMARCK DEFERRED SICK LEAVE FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2005**  
 (REVISED MAY 2006 FOR BANK OF ND FEE ERROR)

	June-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	Market Value	Allocation	Actual	Quarter Policy Net ROR	FYTD Net	FY04 Net	Ended 6/30/2005 Net	Ended 6/30/2005 Net
<b>LARGE CAP DOMESTIC EQUITY</b>																				
<i>Structured Growth</i>																				
Los Angeles Capital	16,014	2.3%	2.3%	2.80%	10,275	1.5%	1.5%	-1.11%	10,390	1.5%	1.5%	10.37%	9,744	1.5%	1.5%	-4.14%	7.56%	N/A	N/A	N/A
<b>Total Structured Growth</b>	<b>16,014</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.80%</b>	<b>10,275</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-1.11%</b>	<b>10,390</b>	<b>1.5%</b>	<b>1.5%</b>	<b>10.37%</b>	<b>9,744</b>	<b>1.5%</b>	<b>1.5%</b>	<b>-4.14%</b>	<b>7.56%</b>	<b>17.58%</b>	<b>7.46%</b>	<b>-9.18%</b>
<i>Russell 1000 Growth</i>				2.46%				-4.09%				9.17%				-5.23%	1.68%	17.88%	7.26%	-10.36%
<i>Structured Value</i>																				
<b>LSV</b>	<b>16,187</b>	<b>2.3%</b>	<b>2.3%</b>	<b>3.58%</b>	<b>11,368</b>	<b>1.6%</b>	<b>1.5%</b>	<b>1.60%</b>	<b>11,188</b>	<b>1.6%</b>	<b>1.5%</b>	<b>8.99%</b>	<b>10,626</b>	<b>1.6%</b>	<b>1.5%</b>	<b>3.19%</b>	<b>18.35%</b>	<b>30.56%</b>	<b>14.73%</b>	<b>14.78%</b>
<i>Russell 1000 Value</i>				1.67%				0.09%				10.38%				1.54%	14.06%	21.13%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																				
<b>LA Capital</b>	<b>31,687</b>	<b>4.5%</b>	<b>4.5%</b>	<b>1.52%</b>	<b>21,688</b>	<b>3.1%</b>	<b>3.0%</b>	<b>-1.04%</b>	<b>21,915</b>	<b>3.1%</b>	<b>3.0%</b>	<b>9.28%</b>	<b>20,758</b>	<b>3.1%</b>	<b>3.0%</b>	<b>-1.69%</b>	<b>7.93%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>Russell 1000</i>				2.05%				-1.91%				9.80%				-1.81%	7.92%	N/A	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																				
<b>Westridge</b>	<b>31,513</b>	<b>4.4%</b>	<b>4.5%</b>	<b>1.44%</b>	<b>20,853</b>	<b>3.0%</b>	<b>3.0%</b>	<b>-2.07%</b>	<b>21,295</b>	<b>3.0%</b>	<b>3.0%</b>	<b>9.47%</b>	<b>20,170</b>	<b>3.0%</b>	<b>3.0%</b>	<b>-1.99%</b>	<b>6.58%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	N/A	N/A	N/A
<i>Index</i>																				
State Street	10,446			1.35%	6,268			-2.15%	6,406			9.22%	6,071			-1.89%	6.27%	19.01%	8.22%	-2.45%
<b>Total Index</b>	<b>10,446</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.35%</b>	<b>6,268</b>	<b>0.9%</b>	<b>1.0%</b>	<b>-2.15%</b>	<b>6,406</b>	<b>0.9%</b>	<b>1.0%</b>	<b>9.22%</b>	<b>6,071</b>	<b>0.9%</b>	<b>1.0%</b>	<b>-1.89%</b>	<b>6.27%</b>	<b>19.01%</b>	<b>8.22%</b>	<b>-2.45%</b>
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>105,848</b>	<b>14.9%</b>	<b>15.0%</b>	<b>1.99%</b>	<b>70,451</b>	<b>10.2%</b>	<b>10.0%</b>	<b>-1.04%</b>	<b>71,193</b>	<b>10.2%</b>	<b>10.0%</b>	<b>9.45%</b>	<b>67,369</b>	<b>10.1%</b>	<b>10.0%</b>	<b>-1.43%</b>	<b>8.89%</b>	<b>21.46%</b>	<b>9.59%</b>	<b>-0.28%</b>
<i>S&amp;P 500</i>				1.37%				-2.15%				9.23%				-1.87%	6.32%	19.11%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>																				
<i>Manager-of-Managers</i>																				
<b>SEI</b>	<b>36,278</b>	<b>5.1%</b>	<b>5.0%</b>	<b>4.24%</b>	<b>33,943</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-5.14%</b>	<b>35,849</b>	<b>5.1%</b>	<b>5.0%</b>	<b>14.74%</b>	<b>34,864</b>	<b>5.2%</b>	<b>5.0%</b>	<b>-3.64%</b>	<b>9.32%</b>	<b>32.99%</b>	<b>13.32%</b>	<b>N/A</b>
<i>Russell 2000 + 200bp</i>				4.83%				-4.86%				14.64%				-2.36%	11.64%	35.99%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>36,278</b>	<b>5.1%</b>	<b>5.0%</b>	<b>4.24%</b>	<b>33,943</b>	<b>4.9%</b>	<b>5.0%</b>	<b>-5.14%</b>	<b>35,849</b>	<b>5.1%</b>	<b>5.0%</b>	<b>14.74%</b>	<b>34,864</b>	<b>5.2%</b>	<b>5.0%</b>	<b>-3.64%</b>	<b>9.32%</b>	<b>32.99%</b>	<b>13.32%</b>	<b>5.50%</b>
<i>Russell 2000</i>				4.32%				-5.34%				14.09%				-2.86%	9.45%	33.36%	12.81%	5.71%
<b>CONVERTIBLES</b>																				
<b>TCW</b>	<b>-</b>	<b>0.0%</b>	<b>0.0%</b>	<b>N/A</b>	<b>67,843</b>	<b>9.8%</b>	<b>10.0%</b>	<b>-4.04%</b>	<b>70,695</b>	<b>10.1%</b>	<b>10.0%</b>	<b>8.39%</b>	<b>67,068</b>	<b>10.0%</b>	<b>10.0%</b>	<b>-4.37%</b>	<b>N/A</b>	<b>17.50%</b>	<b>N/A</b>	<b>N/A</b>
<i>Merrill Lynch All Convertibles</i>				0.00%				-4.67%				5.37%				-1.05%	N/A	14.16%	N/A	N/A
<b>INTERNATIONAL EQUITY</b>																				
<i>Large Cap - Active</i>																				
Capital Guardian	28,457	4.0%	4.0%	1.21%	27,117	3.9%	4.0%	0.93%	28,077	4.0%	4.0%	9.98%	53,363	8.0%	8.0%	-1.80%	10.32%	25.36%	7.44%	-3.80%
LSV	28,937	4.1%	4.0%	2.65%	28,088	4.1%	4.0%	3.70%	28,263	4.0%	4.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	0	0.0%	0.0%	N/A	0	0.0%	0.0%	N/A	(8)	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>57,394</b>	<b>8.1%</b>	<b>8.0%</b>	<b>1.93%</b>	<b>55,205</b>	<b>8.0%</b>	<b>8.0%</b>	<b>2.32%</b>	<b>56,332</b>	<b>8.1%</b>	<b>8.0%</b>	<b>10.56%</b>	<b>53,363</b>	<b>8.0%</b>	<b>8.0%</b>	<b>-1.80%</b>	<b>13.23%</b>	<b>25.36%</b>	<b>12.39%</b>	<b>7.26%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.97%				1.71%				11.11%				-0.72%	14.41%	26.98%	8.84%	-2.61%
<i>Small Cap - Value</i>																				
<b>Lazard</b>	<b>7,000</b>	<b>1.0%</b>	<b>1.0%</b>	<b>-1.54%</b>	<b>6,781</b>	<b>1.0%</b>	<b>1.0%</b>	<b>3.09%</b>	<b>7,920</b>	<b>1.1%</b>	<b>1.0%</b>	<b>16.08%</b>	<b>7,169</b>	<b>1.1%</b>	<b>1.0%</b>	<b>0.30%</b>	<b>18.18%</b>	<b>43.71%</b>	<b>N/A</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				0.14%				4.58%				16.82%				-0.82%	21.33%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																				
<b>Vanguard</b>	<b>7,049</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.94%</b>	<b>6,571</b>	<b>1.0%</b>	<b>1.0%</b>	<b>2.92%</b>	<b>7,712</b>	<b>1.1%</b>	<b>1.0%</b>	<b>18.98%</b>	<b>6,811</b>	<b>1.0%</b>	<b>1.0%</b>	<b>0.42%</b>	<b>24.11%</b>	<b>44.67%</b>	<b>N/A</b>	<b>N/A</b>
<i>Citigroup Broad Market Index &lt; \$2BN</i>				0.14%				4.58%				16.82%				-0.82%	21.33%	47.95%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>71,443</b>	<b>10.0%</b>	<b>10.0%</b>	<b>1.42%</b>	<b>68,557</b>	<b>9.9%</b>	<b>10.0%</b>	<b>2.45%</b>	<b>71,964</b>	<b>10.3%</b>	<b>10.0%</b>	<b>12.53%</b>	<b>67,343</b>	<b>10.1%</b>	<b>10.0%</b>	<b>-1.35%</b>	<b>15.34%</b>	<b>29.26%</b>	<b>10.62%</b>	<b>-2.10%</b>
<i>MSCI EAFE - 50% Hedged</i>				1.97%				1.71%				11.11%				-0.72%	14.41%	26.98%	8.84%	-2.61%
<b>DOMESTIC FIXED INCOME</b>																				
<i>Core Bond</i>																				
<b>Western Asset</b>	<b>156,542</b>	<b>22.0%</b>	<b>21.7%</b>	<b>3.01%</b>	<b>153,560</b>	<b>22.2%</b>	<b>20.0%</b>	<b>-0.84%</b>	<b>146,948</b>	<b>21.0%</b>	<b>20.0%</b>	<b>1.34%</b>	<b>141,323</b>	<b>21.2%</b>	<b>20.0%</b>	<b>3.51%</b>	<b>7.14%</b>	<b>2.42%</b>	<b>7.36%</b>	<b>8.59%</b>
<i>Lehman Aggregate</i>				3.01%				-0.48%				0.96%				3.20%	6.80%	0.32%	5.75%	7.40%
<i>Index</i>																				
<b>Bank of ND</b>	<b>144,870</b>	<b>20.4%</b>	<b>21.7%</b>	<b>2.39%</b>	<b>181,410</b>	<b>26.3%</b>	<b>30.0%</b>	<b>-0.78%</b>	<b>185,283</b>	<b>26.5%</b>	<b>30.0%</b>	<b>0.40%</b>	<b>177,846</b>	<b>26.6%</b>	<b>30.0%</b>	<b>2.54%</b>	<b>4.59%</b>	<b>0.07%</b>	<b>5.83%</b>	<b>7.36%</b>
<i>Lehman Intermediate Gov/Credit (1)</i>				2.48%				-0.87%				0.44%				2.71%	4.80%	-0.05%	5.82%	7.35%
<i>BBB Average Quality</i>																				
<b>Wells Capital (formerly Strong)</b>	<b>155,777</b>	<b>21.9%</b>	<b>21.7%</b>	<b>3.26%</b>	<b>80,536</b>	<b>11.7%</b>	<b>10.0%</b>	<b>-1.15%</b>	<b>82,652</b>	<b>11.8%</b>	<b>10.0%</b>	<b>2.30%</b>	<b>79,232</b>	<b>11.9%</b>	<b>10.0%</b>	<b>4.51%</b>	<b>9.14%</b>	<b>1.18%</b>	<b>9.20%</b>	<b>N/A</b>
<i>Lehman US Credit BAA</i>				3.57%				-1.57%				1.69%				4.76%	8.60%	1.96%	9.42%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>457,188</b>	<b>64.2%</b>	<b>65.0%</b>	<b>2.76%</b>	<b>415,505</b>	<b>60.2%</b>	<b>60.0%</b>	<b>-0.82%</b>	<b>414,884</b>	<b>59.4%</b>	<b>60.0%</b>	<b>1.11%</b>	<b>398,400</b>	<b>59.6%</b>	<b>60.0%</b>	<b>3.27%</b>	<b>6.38%</b>	<b>0.79%</b>	<b>7.00%</b>	<b>7.45%</b>
<i>Lehman Gov/Credit</i>				3.44%				-0.67%				0.80%				3.56%	7.26%	-0.72%	6.41%	7.70%
<b>CASH EQUIVALENTS</b>																				
<b>Bank of ND</b>	<b>40,909</b>	<b>5.7%</b>	<b>5.0%</b>	<b>0.78%</b>	<b>34,464</b>	<b>5.0%</b>	<b>5.0%</b>	<b>0.69%</b>	<b>33,786</b>	<b>4.8%</b>	<b>5.0%</b>	<b>0.53%</b>	<b>32,966</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.44%</b>	<b>2.46%</b>	<b>1.20%</b>	<b>1.74%</b>	<b>2.68%</b>
<i>90 Day T-Bill</i>				0.72%				0.57%				0.48%				0.37%	2.15%	0.98%	1.55%	2.62%
<b>TOTAL DEFERRED SICK LEAVE FUND</b>	<b>711,667</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.16%</b>	<b>690,764</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-1.00%</b>	<b>698,371</b>	<b>100.0%</b>	<b>100.0%</b>	<b>4.45%</b>	<b>668,011</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.05%</b>	<b>6.75%</b>	<b>8.91%</b>	<b>8.14%</b>	<b>4.91%</b>
<b>POLICY TARGET BENCHMARK</b>				2.64%				-1.15%				3.74%				1.65%	7.00%	6.92%	7.45%	4.86%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.